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## SIPDIS

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TAGS: PREL PGOV EU GM

SUBJECT: POLITICAL GOALS OF THE GERMAN EU PRESIDENCY

REF: BERLIN 1651

Classified By: Acting POL Counselor Mike Martin for reasons 1.4 (B) and (D).

11. (C) (Summary) According to our contacts, the Germans have identified four main political goals to pursue during their EU presidency next year. They hope to create a new EU neighborhood policy that encourages countries of the former Soviet Union such as Ukraine and Georgia to pursue reforms during a period when they do not have a realistic prospect of EU membership. The Germans will also focus on a new agreement to regulate relations between the EU and Russia (the existing 10 year agreement expires next year). A third goal will be to strengthen the EU's ties with Central Asia. In addition, the Germans hope the EU can achieve consensus during their presidency on a roadmap that will lead to ratification of an EU constitution by 2009. The Germans are also looking at initiatives on the economic, environmental, energy, and justice/counter-terrorism fronts. (End Summary)

## Neighborhood Policy

(C) Poloffs met with Nikolaus Meyer-Landrut, Deputy Director General for European Affairs at the Chancellery, Thomas Schieb, Deputy European Correspondent at the Ministry of Foreign Affairs, and other contacts in government and think tanks to discuss Germany's goals for its EU presidency. A thread running through all these discussions was the Germans' desire to re-energize the EU's neighborhood policy, with particular emphasis on the former Soviet republics in Eastern Europe and the Caucasus. Our contacts pointed to Chancellor Merkel's major speeches on the EU, where she consistently noted the limited possibilities for EU enlargement at this time. Given the unlikelihood of EU expansion eastward in the near future, the Germans view a new neighborhood policy as necessary to sustain the reform process in these countries. Chancellor Merkel has promised that this neighborhood policy would constitute more than just a free trade relationship. In an EU policy speech, she pledged the neighborhood policy would offer participation in the EU economy nearly equivalent to that of member states,

but without a decision making voice.

#### Central Asia

13. (C) When asked if this new neighborhood policy would extend to the Central Asian republics, Chancellery and MFA contacts say this is unlikely. But they add that Germany wants to use its presidency to strengthen the EU's relations with the countries of Central Asia, to help them look westward and make clear to them that they have alternatives to the Shanghai Cooperation Organization. A meeting at the foreign minister level between Germany and the five Central Asian republics is currently being planned for spring of 12007. According to contacts at German foundations with close ties to the government, the dialogue is likely to focus on natural resources (energy security and water distribution), organized crime, political liberalization, and free trade. The EU will likely offer aid to fight narcotics trafficking, strengthen the rule of law, resolve border issues, and enhance press freedom.

### Russia

14. (C) The EU will also negotiate a new Partnership and Cooperation Agreement (PCA) with Russia during the German presidency. The current ten year agreement, which forms the overall basis for EU relations with Russia, runs out at the end of 2007. While the current agreement could be extended year by year, the Germans feel that an entirely new agreement is necessary that reflects the vast changes experienced by both the EU and Russia since 1997. Germany will seek to include a pact on EU-Russia energy cooperation in the PCA, which would address access to energy markets and resources (similar to the Energy Charter that Russia decided not to ratify). Our contacts stress that obtaining consensus within the EU on the proper approach to Russia will not be easy. Negotiations with the Russians will also be extremely difficult, and the Germans do not expect a final agreement to be signed until late-2007, during the Portuguese presidency.

# EU Constitution

(C) The Germans hope they can find a way during their presidency to achieve consensus on moving forward with the EU constitution. To relaunch the ratification process, Germany will host an informal EU summit in Berlin on March 25th that will commemorate the fiftieth anniversary of the Treaty of Rome. The leaders at this summit are expected to sign a political declaration on European values, which is being likened to a new EU statement of purpose. This would be followed by the regular June summit in Brussels where Germany hopes to present an agreed roadmap to complete ratification of the constitution by 2009. Our contacts maintain that "cherry-picking" a few pieces of the existing constitution will not work. However, Chancellery official Meyer-Landrut suggested they might have to reconfigure the constitution to ensure it can be ratified. While he was vague on this topic, other government contacts have suggested this might mean focusing on the fundamental rights and institutional arrangements discussed in the first two sections of the constitution, and dropping the third section, which has the longest and most detailed list of required institutional changes. TIMKEN JR